

girls with developmental disabilities. Her program works in conjunction with the Moore Center, an agency serving the disabled, to provide training for dance instructors who will teach the children at the center. One hour each week, from November to June, Szopa and five other instructors teach basic dance to five students.

School honorees are judged by State selection committees, which name the top middle-level and high school volunteer in each State. These State-level honorees receive a silver medallion, \$1,000 and a trip to Washington, DC with a parent or guardian, for several days of national recognition events in May. Also, in May, America's top 10 youth volunteers for 1998 are chosen from the State-level honorees by a blue-ribbon national selection panel. These 10 national honorees will be announced at a special ceremony at the National Press Club in Washington, where they each will receive an additional \$5,000, a gold medallion and a crystal trophy for his or her school.

Meagan and Alia have made significant contributions to their communities and to the State of New Hampshire. Not only have they served their community selflessly, but they have also served as inspirational role models to other students. Volunteerism strengthens community life as well as enhances the lives of people. I applaud Meagan and Alia's dedication and innovation in creating programs to serve the needs of citizens in their community. Without these young leaders, our country would be lost. It takes a special person to make a difference in someone's life. Meagan and Alia are indeed special and treasures to their school, the State of New Hampshire and to our country. ●

THE VETERANS' CEMETERY PROTECTION ACT OF 1997

Mr. THURMOND. Mr. President, next week, November 11, our Nation will observe Veterans Day. Commemorative services will be held throughout the Nation on that day. I expect services will be held at Arlington Cemetery and other national cemeteries, where thousands of war dead are buried.

As I mentioned in a statement last May, prior to Memorial Day, Mr. President, not all activities at our national cemeteries have honored our Nation's veterans. There have been, unfortunately, instances of vandalism and theft at our national cemeteries. While many of these incidents are minor, many attacks on national cemeteries are serious. The Department of Justice reports that between January 1, 1995, and May 31, 1997, there were 21 reports of vandalism or crime at national cemeteries, where the estimated damage was over \$1,000. The total loss to our national cemeteries from these incidents is more than \$98,000. In addition, more than 56 incidents were reported, with damage less than \$1,000, during that same time period. These

incidents caused another \$15,000 in losses to the Government.

The harm resulting from attacks on our national cemeteries, however, is more than economic loss. Such criminal activity is an assault on the honor of our veterans, particularly those who made the supreme sacrifice in defense of our Nation. It is an attack on the heritage and values for which our veterans fought. Such conduct is unconscionable and deserves a strong response.

The time has come to demand a stop to this type of insulting behavior and punish it when it occurs. That is why I introduced S. 813, the Veterans' Cemetery Protection Act of 1997. This bill imposes criminal penalties for vandalism and theft at national cemeteries operated by the VA, the Department of Defense, and the Department of Interior.

Specifically, this bill authorizes the U.S. Sentencing Commission to review and amend the Federal sentencing guidelines to provide an appropriate sentencing enhancement for any offense against the property of a national cemetery.

I am delighted that Senators MCCAIN, INHOFE, INOUE, D'AMATO, and SESSIONS have joined as cosponsors. I thank all Senators for their support on final passage. I particularly appreciate the support from the Senate Committee on Veterans' Affairs, the Senate Judiciary Committee, the Department of Justice, and the U.S. Sentencing Commission. I look forward to passage of this measure by the other body, so this bill can be on the President's desk by Veterans Day.

Mr. GRASSLEY. Mr. President, I ask unanimous consent I be permitted to speak for 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PERFORMANCE OF TREASURY IG VALERIE LAU

Mr. GRASSLEY. Mr. President, I rise today to inform my colleagues about an instance of failed leadership in protecting the taxpayers' money, and in executing the law enforcement functions of our Government. It's a story full of irony, of abuse of power, of a breakdown in the people's trust.

Last Friday, and again today, hearings were held by the Governmental Affairs Permanent Subcommittee on Investigations. The chairman of that subcommittee is Senator SUSAN COLLINS of Maine. The subject was the performance and conduct of the Treasury Department's inspector general, Valerie Lau, and her staff.

During Friday's hearing, we learned that Ms. Lau personally let two illegal contracts, including one to a long time associate, Mr. Frank Sato. IG Lau violated procurement laws and regulations in the sole-source procurement of the two consulting contracts. The judgment that these two contracts were illegal was not made by members of the

subcommittee. It was made by the independent, nonpartisan General Accounting Office.

The GAO also found that IG Lau violated the standards of ethical conduct. This is because she failed to disclose her personal and professional relationship with Mr. Sato.

Today, at the subcommittee's second hearing, we heard more. We learned that IG Lau and her staff provided false and/or inaccurate testimony to Congress and congressional investigators. We learned of the destruction of a document. The document was destroyed, in my view, as part of a cover-up. It was to hide the fact that a potentially criminal investigation had been launched—without merit—of two agents of the U.S. Secret Service. It was in retaliation for their testimony before Congress in the FBI Filegate matter. Again, that is my own judgment.

The IG and her staff, as well as other Treasury officials, had told my staff as well as officials of the Secret Service that a potentially criminal case had been opened. Then, the IG and her staff denied having told us that, and maintained that such a case was never opened. The record now shows that those statements were false. There was, in fact, such an investigation of the two agents.

Also today, we learned that the IG presides over an agency that has become totally demoralized. It's clearly because of failed leadership at the top. Wrongful and questionable activity can be assigned to virtually the entire upper level of the IG's office. The troops below are suffering from bad morale. The office of the Treasury IG has been severely crippled.

The irony in all this is that an inspector general's job is to detect these very violations in others. An IG is not supposed to commit them.

One of the illegal contracts that the IG let, grew from \$85,000 to \$345,000. That's called contract nourishment. There's not much to show for it. Except 1,000 rulers, Mr. President. The rulers are 6 inches in length. They're made of flexible plastic. They have the inspector general's mission, vision, and values statement printed on them to remind employees of who they are and what they do.

Mr. President, I take the amount of rulers purchased—1,000—and divide that into the cost of the contract—\$345,000—and I come up with a value per ruler of \$345.

That's right, Mr. President. The \$345 ruler.

Mr. President, this is not the first time in my experience that the Government bought ordinary products at extraordinary prices. I recall coming to this floor in 1983. I had with me a small steel washer that was a spare part for an Air Force airplane. The price of that washer was \$364. It was worth only about a quarter.

The Pentagon, at the time, defended the cost of the washer. First of all, it

wasn't just a washer, you see. Why, it was a "sheer pin spacer." And the \$364-price tag wasn't really outrageous. After all, it was precision-molded from space-age alloys; extremely light weight, less than half an ounce; no moving parts; easy-to-handle circular shape; plus, there was inflation; transportation costs; special packaging; obsolescence; breakage; deterioration; pilferage; and so forth. All of these are costly. So, \$364 was an absolute bargain, according to the Pentagon, for a steel washer. Excuse me—a sheer pin spacer.

Given my experience with military spare parts, I thought to myself: Now, what could possibly be the justification for the Treasury IG first, buying all these rulers, and second, buying them at \$345 per copy?

Well, let's look at the first question: Why does the IG need all these rulers? There are only 300 employees in the office. Yet, she bought 1,000. That's three rulers for each employee. Perhaps the extra 700 are spare parts.

Also, Congress recently passed the Government Performance and Results Act. That act gives Congress the ability to measure the performance of Government agencies. It does so by requiring agencies to come up with performance goals, and then provide us with data so we can measure their performance against their goals.

The contract in question provided no real benefit to the taxpayers. It was intended to boost morale. But testimony from witnesses at today's hearing said morale was worse after the study than before it. That means, the only real, tangible benefit to the taxpayers out of this contract were the 1,000 rulers.

So I must assume, Mr. President, that the IG needed these rulers to help measure performance. Is it possible the IG took the measurement function a little too literally?

If so, that gives new meaning to the term "performance measurement."

Now that might justify why we purchased the ruler. But it doesn't justify the price tag.

Perhaps I could take a stab at that. I note that the ruler is lightweight—less than half an ounce. It looks like it could be made of precision-molded space-age teflon. No moving parts. Flat, streamlined sides for trouble-free underlining. Able to withstand thousands of whacks on the knuckles. Customized to fit in most standard pockets. It's a real triumph of 21st century technological configuration. Then, of course, there's the packaging costs, the cost of inspection, planning, transportation, and so forth. Just like the DOD steel washer. A real bargain, Mr. President.

With that kind of price tag, this IG is perhaps better off working at the Pentagon as a contracting officer, rather than an IG guarding the public's Treasury. At least at the Pentagon, a \$345 ruler would not be an anomaly.

But seriously, Mr. President, clearly the aforementioned is a major embar-

rassment for the inspector general, who needs to always be beyond reproach, for the Secretary of the Treasury, and for the President, who nominated this IG. And also the Congress, which confirmed the IG.

But nothing is more unconscionable than what this IG's office did in perpetrating a potentially criminal investigation of two dedicated agents of the U.S. Secret Service, in retaliation for their testimony before two committees of the U.S. Congress. And after opening such a case, it was denied and covered up. As part of the cover-up, an official document was destroyed.

I have seen similar abuses of power in the past, since I arrived in Congress. That's not what's new. Bureaucracies do that all the time. That's why we have IG's. IG's are supposed to catch those who abuse their power.

What's new in all this is that the abuse of authority is by someone in whom the citizens have vested the powers to combat such actions. I have never seen such an abuse of power by a Federal law enforcement official.

The responsibility of employing such powers is of enormous proportions. The full powers of the IG's office were directed against the most precious right that exists in this country—the civil liberties of two American citizens. It cost these two agents over \$26,000 so far. Worse, there has been a cloud over them and their families for more than a year.

What happens the next time these agents are in a court of law, or being interviewed for a future job opportunity? Suppose they are asked, "Have you ever been the target of a criminal investigation?" How are they supposed to answer that question? Technically, they were targeted improperly. But if it's a yes-or-no question, they would have to answer yes. It's just not fair.

The process of correcting the wrong that was done began today. The IG, after a year of denials, contradictions, and wordsmithing, finally apologized at this morning's hearing. It was a year overdue. Nonetheless, it was the appropriate thing to do.

I mentioned earlier that this ruler, purchased as part of one of the illegal contracts, displays the IG's value statement. Ironically, the actions of upper management in the IG's office systematically violated almost every one of them.

The value statement reads as follows:

The core values which govern all of our employee and organizational actions are trust, mutual respect, integrity and competence. These values are demonstrated through qualities such as fairness, honesty, cooperation, open communication, shared goals, and a commitment to excellence.

Mr. President, in my view, the taxpayers would have got more value out of this contract had the Treasury IG's office practiced the values listed on this ruler. It did not. And that reflects a major leadership void in that office.

I mentioned earlier that the IG engaged in the fine art of wordsmithing.

Instead of answering questions, she did a soft-shoe routine. For example, when GAO found that she let two illegal contracts, her response was to call them "technical violations." That response hardly instills confidence that this IG should remain in that job. Quite the contrary, it speaks volumes about the need for a new IG.

Mr. President, the Secretary of any Department is required, under the Inspector General Act of 1978, to generally supervise the IG. I hope that Treasury Secretary Rubin makes himself familiar with the facts and findings of the investigation by the Permanent Subcommittee on Investigations. Were he to do that, I am confident that he would reach the same conclusion I have—that the IG's own actions have undermined her moral authority to lead that office. Her ability to continue to run that office effectively, and in the taxpayers' interest, has been compromised.

I do not come to this judgment frivolously. I have been intimately involved in the investigation and circumstances of this case for over a year. I worked with Chairwoman COLLINS for several months, who did an outstanding job on this investigation, Mr. President. She and her staff are to be greatly commended for digging out all the facts on this case, and laying them in front of the American people.

So I feel an obligation to call on the Treasury IG to step aside so that a new IG and IG management team can be brought in to reestablish the trust and confidence of the people, and to restore the morale of the many hardworking and dedicated employees of that office. There is a tremendous responsibility that comes with being Treasury IG. And we in Congress need to make sure every effort is made to maintain the public's confidence in their law enforcement agencies. That's why I think this decision to step aside must be made.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, and in consultation with the Democratic leader, pursuant to Public Law 105-33, announces the appointment of the following Members to the National Bipartisan Commission on the Future of Medicare: The Senator from Nebraska [Mr. KERREY] and the Senator from West Virginia [Mr. ROCKEFELLER].